

Old Age, Disability, Death

First law: 1951.

Current law: 1976.

Type of program: Dual universal and social insurance systems.

Exchange rate: U.S.\$1.00 equals 24.67 rupees (Rs).

Coverage

Universal pension: All residents.

Earnings-related pension: All employees.

Special systems for public employees and certain occupations with equivalent private programs.

Voluntary affiliation under earnings-related program for those not covered compulsorily.

Source of Funds

Insured person: Universal pension: None. Earnings-related pension: 3% of earnings (voluntarily covered, 6%).

Employer: Universal pension: None.

Earnings-related pension: 6% of payroll (10.5% in sugar industry).

Government: Universal pension: Whole cost.

Earnings-related pension: Any deficit.

Maximum earnings for contribution purposes: Rs196 daily, Rs1,177 weekly, Rs5,100 monthly.

Maximum earnings for contribution and benefit purposes:

Rs61,200 yearly.

Above contributions also finance work-injury benefit program.

Qualifying Conditions

Old-age pension: Universal pension: Age 60, 12 years of residence after age 18 for nationals under age 70. No residence requirements if age 70 or older. Foreigners must have 15 years' residence after age 40.

Disability pension: Universal pension: Under age 60, no residence requirement for nationals. Foreigners must have 5 years' residence during the 10 years preceding claim, and must have been resident during the entire year preceding claim.

Earnings-related pension: 60% disabled for at least 12 months.

Survivor pension: Earnings-related pension: Deceased met pension requirements or was pensioner at death.

Old-Age Benefits

Old-age pension: Universal pension: Rs1,300 a month until age 90; Rs5,000 age 90-100; Rs5,275 age 100 and above. An additional Rs920 payable if 100% disabled, or at least 60% disabled and needing constant attendance (Rs215 a month if in government-supported institution).

Earnings-related pension: 0.83% (1.66% if age 40 when program introduced) of earnings for each year of contribution, limited to an amount not to exceed one-third of former earnings. For employees in sugar industry, 1.25% of earnings (2.5% if age 40 when program introduced) for each year of contribution, limited to one-half of former earnings.

Minimum pension: Rs202 a month.

Centenarian grant: Rs10,000.

Pension amounts adjusted each year by ministerial decree.

Permanent Disability Benefits

Disability pension: Universal pension: Rs1,300 a month (Rs215 a month if in government-supported institution).

Earnings-related pension: 16.66% (25% in sugar industry) of average earnings. Method of computing average earnings varies according to the age of the insured.

Child's allowance for the first 3 children: Rs425 for children under age 10 and Rs450 for those 10-15 (20 if student).

Carer's allowance Rs800.

Adjustment: Pensions adjusted to changes in cost of living.

Survivor Benefits

Survivor pension: Universal pension: Rs1,300 a month (Rs215 month if in government-supported institution) with additional allowances for the first three children of widows under age 60; Rs425 monthly for children under age 10, Rs450 for children 10-15 (20 if student).

Orphans: Rs725 a month up to age 15 (20 if student). Guardian allowance, Rs320 a month.

Earnings-related pension: Widow, age 60, 100% of pension of insured; 16.66% of average earnings (26% in sugar industry); reduced by a third after 12 months if no dependent children.

Orphans: 15% of the pension to which parent would have been entitled.

Adjustment: Pensions adjusted to changes in cost of living.

Administrative Organization

Ministry of Social Security and National Solidarity, general supervision.

National Pensions Board, composed of government, employer, and employee representatives, advises the Minister of Social Security.

Ministry of Finance, responsible for investments of surplus funds of the National Pensions Fund.

Sickness and Maternity

1975 labor law requires employers to provide up to 21 days of paid sick leave or 12 weeks' paid maternity leave (6 weeks before, 6 weeks after confinement) to employees. Medical services available free to population in government dispensaries and hospitals, and financial assistance to needy persons.

Work Injury

First law: 1931.

Current law: 1976.

Type of program: Social insurance system.

Coverage

All employees.

Source of Funds

Insured person: None.

Employer: See pension contributions above.

Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings for first 2 weeks (payable by employer), 80% thereafter. Payable for up to 36 months.

Permanent Disability Benefits

Permanent disability benefit: Benefit proportionate to degree of incapacity (lump-sum payment optional for workers aged 52-60). Total disability, 80% of average monthly earnings; partial disability, 65% of earnings times degree of incapacity. (If disability less than 20%, cash payment related to earnings, degree of incapacity, and age of recipient.) Constant-attendance allowance: Rs255 month.

Workers' Medical Benefits

Medical benefits: Medical and surgical care, hospitalization, medicines, appliances, and transportation.

Survivor Benefits

Survivor pension: 50% of earnings of deceased, payable to widow, or to widower disabled at least 12 months. Orphans, each 7.5% of monthly earnings of deceased. Dependent living in the household if no surviving spouse, Rs255 a month. Funeral grant: Lump sum covering cost of burial, if no dependents.

Administrative Organization

Ministry of Social Security and National Solidarity, administration of program.

Family Allowance Benefits

Family allowances (after income test): Rs50 a month for families with 3 or more children under age 15. Some mother and child health and welfare services also provided.

Administrative Organization

Ministry of Social Security and National Solidarity, administration of program.

Unemployment

The Unemployment Hardship Relief Act, 1993 provides means-tested benefits to heads of households under age 60 after 30 days' registered unemployment.

Family Allowances

First and current law: 1961.
Type of program: Social assistance system.

Coverage

Needy families with 3 or more children.

Source of Funds

Insured person: None.
Employer: None.
Government: Whole cost.

Qualifying Conditions

Family allowances: Children must be under age 15. Income of family must not be above Rs10,000 a year.